GOVERNMENT OF INDIA
SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTR
LOK SABHA

UNSTARRED QUESTION NO:3957
ANSWERED ON:19.04.2000
INCENTIVES BY KHADI AND GRAM UDYOG COMMISSION
ARUN KUMAR;NAWAL KISHORE RAI;SUKDEO PASWAN

Will the Minister of SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTR be pleased to state:

(a) whether the Khadi and Village Industries Commission provides incentives for setting up cottage industries in rural areas in the country;

(b) if so, the details thereof;

(c) the States where units of the cottage industries have been set up with the incentives provided by the Commission by the end of December, 1999 alongwith the number of such industries set up;

(d) the State-wise number of people employed in these cottage industrial units; and

(e) the number of sick cottage industries, State-wise?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF SMALL SCALE INDUSTRIES AND AGF RURAL INDUSTRIES (SMT. VASUNDHARA RAJE)

(a) Yes, Sir.

(b) Under the Margin Money Scheme, the KVIC provides incentives for setting up cottage industries in rural areasUnder this scheme, the subsidy on project cost is given at the rate of 25% (30% in case of SC/ST/OBC/Women/Physically Handicapped/Ex-Servicemer and Minority Community beneficiaries/institutions and for hill, border and tribal areas and North Eastern Region) of the cost of the project upto Rs. 10 lakhs and additional 10% of the project cost above Rs. 10 lakhs but upto Rs. 25 lakhs.

(c) & (d): The KVIC encourages setting up of village industries in all the States and Union Territories.The State-wise number of people employed in these cottage industries is at Annexure.

(e) The detail of sick cottage industries is not maintained centrally.